



**LEGISLATIVE
SERVICES OFFICE**

ECONOMIC OVERVIEW

ERIN PHIPPS

1/4/2023

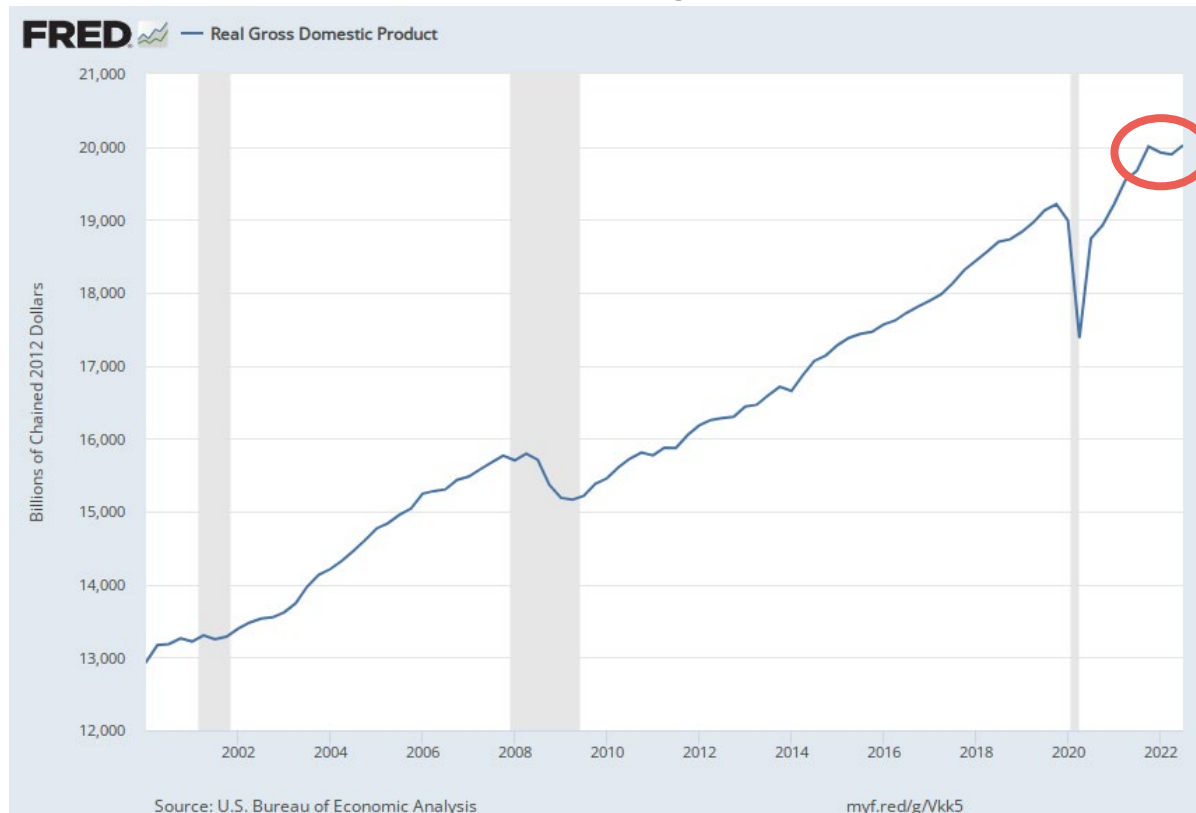
Economy slowing or recession? Let's look at a few measures

- Gross Domestic Product (GDP)
- CPI and Inflation
- Interest Rates
- Real Income per Capita
- Unemployment



Gross Domestic Product

- Two consecutive quarters of falling real GDP

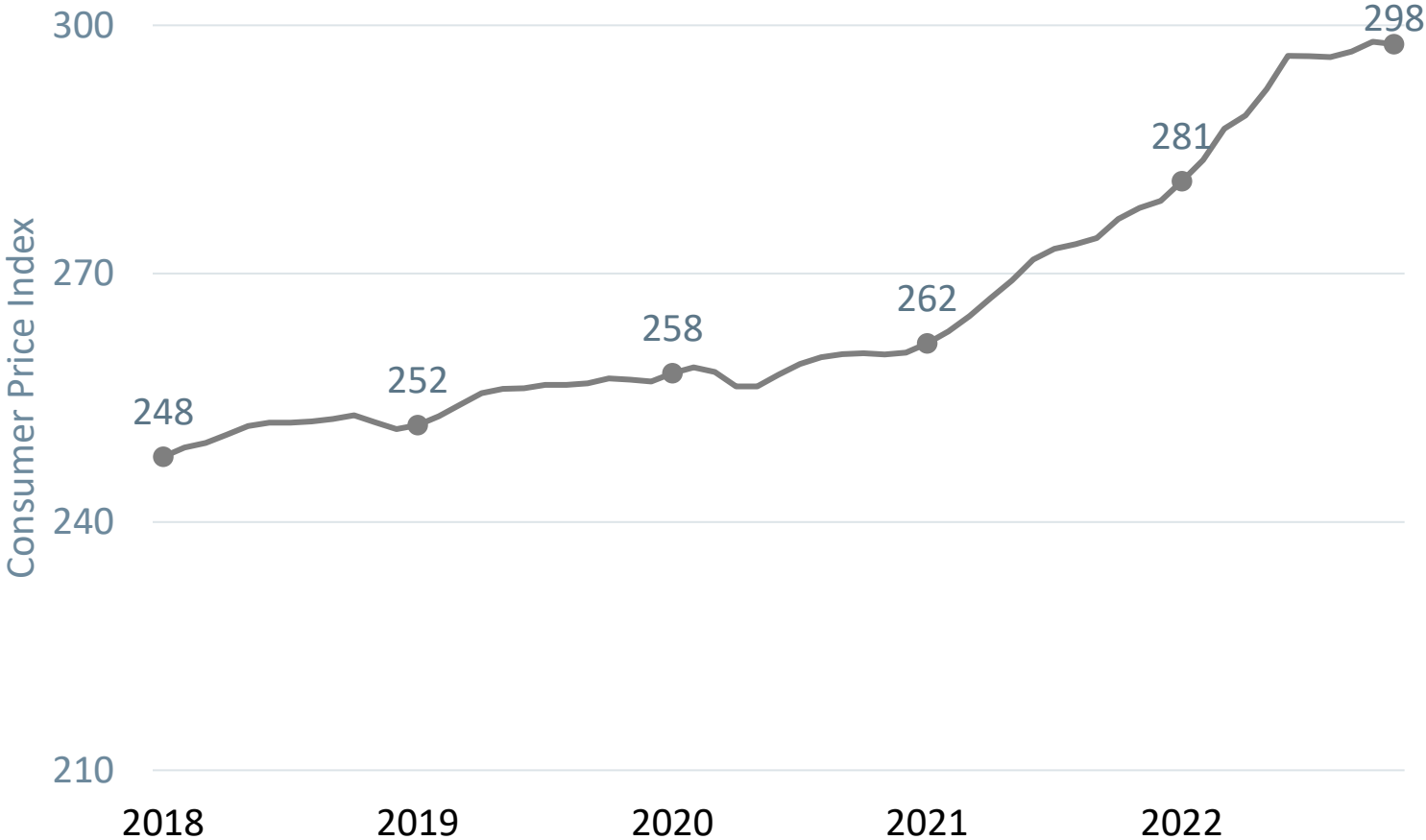


Why Inflation is an Economic Indicator?

1. Purchasing power of the dollar
2. Effectiveness of governmental policy
3. Real growth



Consumer Price Index and Inflation



Inflation Rate	
2018	2.4%
2019	1.8%
2020	1.2%
2021	4.7%
2022*	7.9%

**Using CPI values through November 2022*



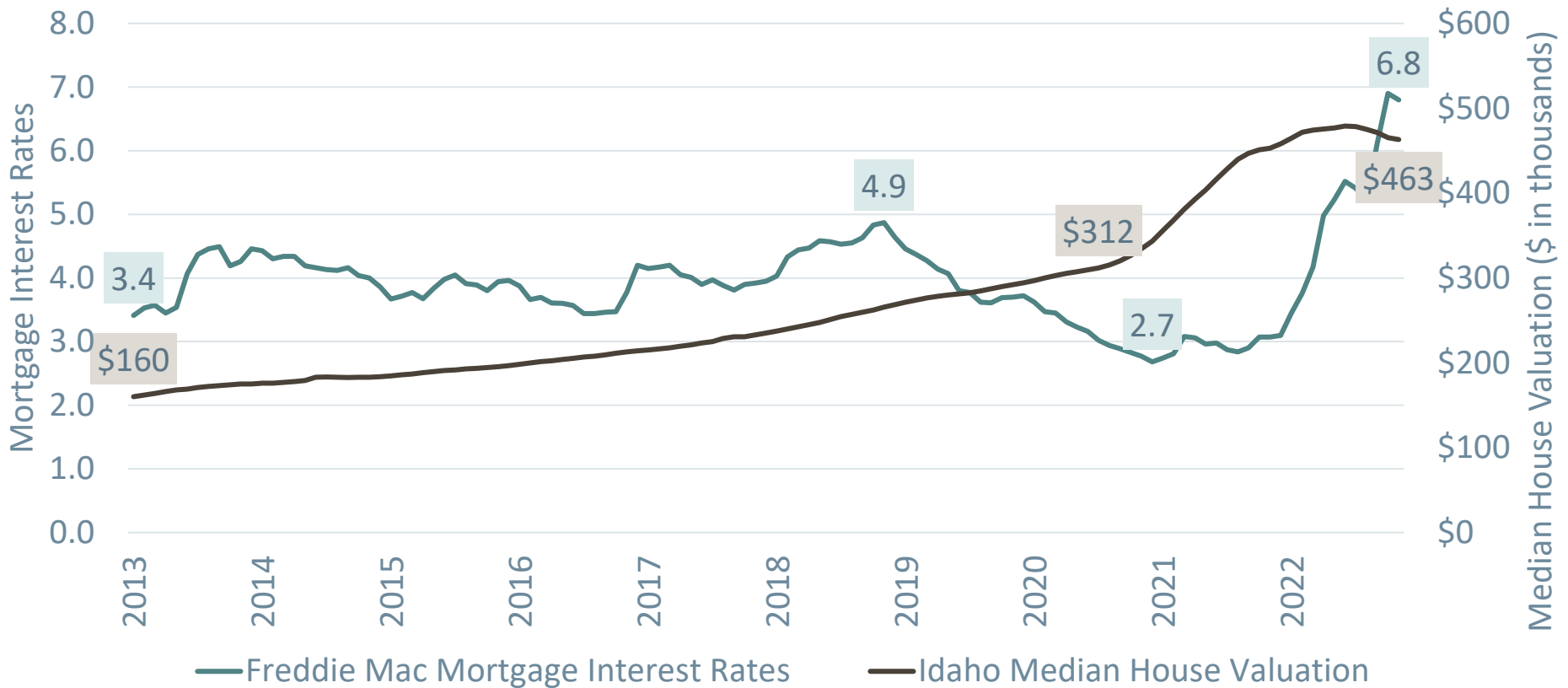
Leading Factors for the Rise of Inflation:

1. Transportation costs
2. Increased costs of production
3. Wage-price inflation



Interest Rates and Housing Market

Mortgage Interest Rates Compared to Idaho Median House Valuations



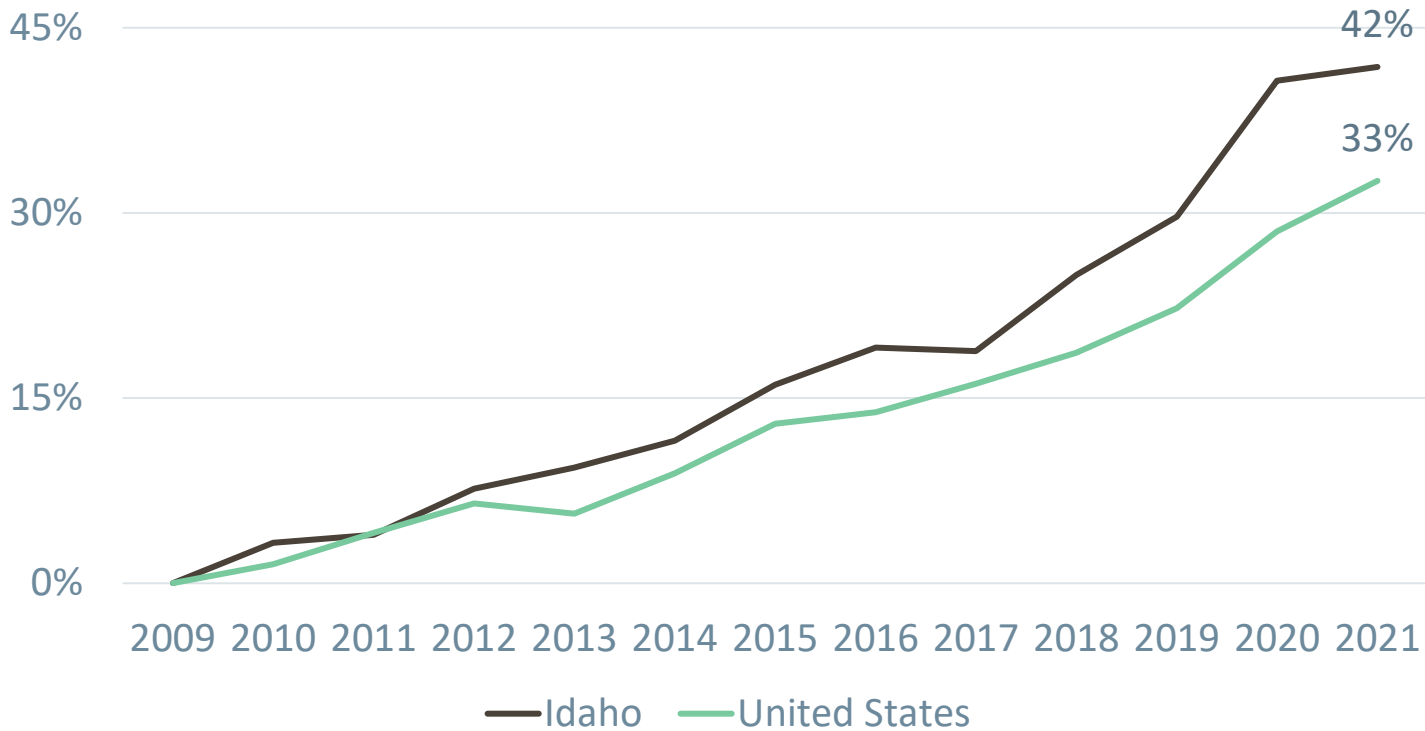
Small Business Administration Interest Rates

Small Business Administration Interest Rates



Real Income Per Capita

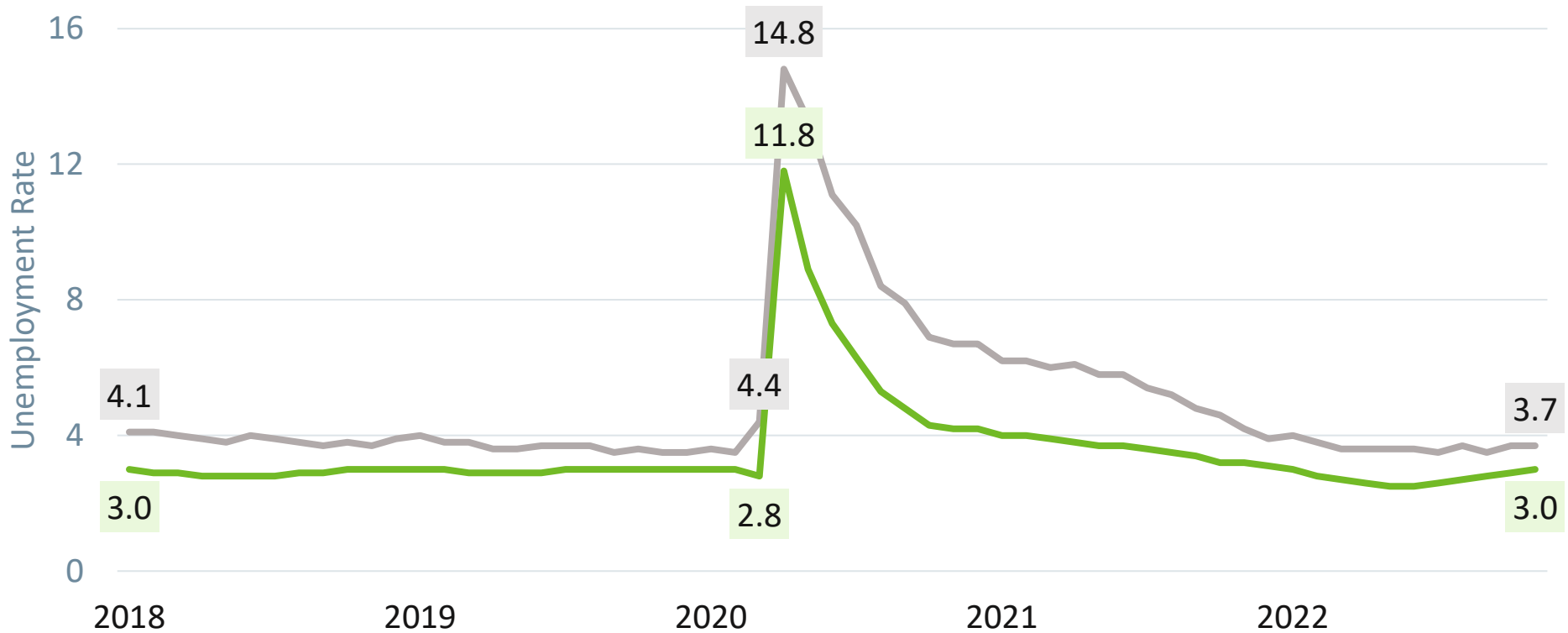
Personal Income Per Capita Growth Since 2009



Real Per Capita Income by Year		
Year	Idaho	US
2009	34,901	41,841
2021	49,501	55,477



Unemployment Rate



What this means for Idaho?

- Growing real personal income per capita
- Low unemployment
- Record revenues

